

Disaster Recovery Initiative
U.S. Department of Housing and Urban Development (HUD)
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**Louisiana Office of Community Development,
Division of Administration**

Louisiana Recovery Authority

**Proposed Action Plan Amendment Number 9
for Disaster Recovery Funds**

January 10th, 2007



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To assist the State of Louisiana recovery from the devastation caused by Hurricane's Katrina and Rita, Congress approved two appropriations of funding of \$6,210,000,000 in P.L. 109-148 and \$4,200,000,000 in P.L. 109-234.

This funding will be used for a comprehensive array of programs designed to aid of the recovery of coastal Louisiana. In the First Action Plan for disaster recovery funds, the state allocated funds into three categories. The Second Action Plan for disaster recovery funds is an extension of the first Action Plan's targeted goals. The disaster recovery CDBG funds are directed to be used for Housing, Infrastructure, and Economic Development. This Action Plan allocates the \$4.2 billion in supplemental funding granted to Louisiana. These dollars will fully fund Louisiana's recovery housing programs, collectively titled the Road Home Housing Programs, which are designed to allow displaced Louisiana citizens to return to there homes. \$3,608,800,000 of this funding is for the Road Home Housing Programs. Additionally, \$41,200,000 that has been previously approved for administration within the first Action Plan will be funded from the second allocation. The Second Action Plan includes currently unallocated funds of \$550,000,000. The unallocated funds will be used within the Infrastructure category of needs, as well as additional funding for costs related this additional allocation. The purpose of the Road Home program is to meet urgent community recovery needs including redevelopment and to revitalize the housing of hurricane affected areas.

Proposed of Second Action Plan Funds

Louisiana plans on using the \$4.2 billion appropriated by Congress under PL 109-234 for housing programs, for both owner-occupants and rental units. A considerable amount of funds remains officially unallocated, but it is anticipated that most of this balance will be used for infrastructure needs as well as monies for rebuilding health care facilities in New Orleans. This includes: assistance to owner occupants to compensate them for their hurricane loss; a small rental property repair program designed to serve small properties and target assistance to small owners; for supportive housing for special needs population; and for another rental program involving the low income housing tax credits. Funds are allocated in the following manner:

Assistance to Owner Occupants	\$2,496,150,000
Low Income Housing Tax Credits/ Piggyback Program	593,970,000
Supportive Housing	25,980,000
Small Rental Property Repair Program	492,700,000
State Administration	41,200,000
Unallocated	550,000,000
TOTAL	\$4,200,000,000

In keeping with the Statute and language in HUD's notice FR-5089-N-01 from October 30, 2006, the Second Action Plan clearly demonstrates that the State of Louisiana "has identified dedicated resources sufficient to meet the key disaster recovery needs for repair, rehabilitation, and reconstruction of affordable rental housing stock, including public housing, in the most impacted areas of the State." The State is keenly aware of

the need to support affordable rental housing in the wake of the damage caused by Katrina and Rita. In fact, the State's response far exceeds the requirements of PL 109-234. Not only does this plan devote approximately \$1.113B of its \$4.2B second allocation to rental housing needs, the State's overall plan, including both the first allocation and the second allocation, commits over \$1.5B of assistance for rental housing programs.

The chart below shows the breakout of funds between the first and second congressional appropriations:

LOUISIANA DISASTER RECOVERY			
USE OF APPLICATED FUNDS	FUNDS		
	1st App	2nd App	TOTAL
Housing Services Contract	1,000,000		1,000,000
Call Centers	2,000,000		2,000,000
Road Home Startup	9,816,525		9,816,525
Environmental Clearance Contract	4,283,475		4,283,475
Assistance to Owner Occupants	3,566,400,000	2,148,000,000	5,714,400,000
<i>Delivery Owner Occupants Program</i>	284,850,000	348,150,000	633,000,000
Homeless Supports & Housing	25,900,000		25,900,000
LIHTC/CDBG Piggyback		543,540,000	543,540,000
<i>Delivery Piggyback</i>		50,430,000	50,430,000
Supportive Housing	46,750,000	25,980,000	72,730,000
Small Rental Properties	343,730,000	452,700,000	796,430,000
<i>Delivery Small Rental Program</i>	32,570,000	40,000,000	72,570,000
Development Fund Loan	16,570,000		16,570,000
Land Assembly	2,070,000		2,070,000
Capacity Building Grants	2,070,000		2,070,000
Building Code Enforcement	11,390,000		11,390,000
TOTAL All Housing			
INFRASTRUCTURE			

Local Government Infrastructure	95,000,000		95,000,000
State Infrastructure	142,500,000		142,500,000
Local Government Emergency Infrastructure	300,000,000		300,000,000
Primary & Secondary Educational Infrastructure	200,000,000		200,000,000
Assistance to Private Utilities	200,000,000		200,000,000
ECONOMIC DEVELOPMENT			
Bridge Loan	95,000,000		95,000,000
Small Firm Recovery Loan	38,000,000		38,000,000
Technical Assistance to Small Firms	9,500,000		9,500,000
Long Term Recovery Loan	95,000,000		95,000,000
Tourism Marketing Program	28,500,000		28,500,000
Recovery Workforce Training Program	38,000,000		38,000,000
Commercial Research & Education Enhancement	28,500,000		28,500,000
UNALLOCATED	340,000,000	550,000,000	890,000,000
Unallocated {Demolition}	80,000,000		80,000,000
ADMINISTRATION			
State Administration	148,680,000	41,200,000	189,880,000
Planning	9,500,000		9,500,000
Technical Assistance	12,420,000		12,420,000
TOTALS	6,210,000,000	4,200,000,000	10,410,000,000